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**Testimony of Stephen G. Rosentel before the Commerce Committee on March 19, 2013 in OPPOSITION to
RB 6650 AN ACT CONCERNING ENERGY EFFICIENCY PROGRAMS**

My name is Steve Rosentel and I am the President of Leahy's Fuels in Danbury, CT. We are a marketer of fuel oil, propane gas and sell and service equipment that burns both of these products or natural gas. I am also a member of the board of CEMA (formerly ICPA) and serve as the Vice Chair of the Propane Gas Association of New England. Prior to joining the energy industry I spent 5 years working for a national accounting firm as a licensed CPA in CT and NY.

I am strongly opposed to this new tax which goes counter to the Governor's pledge of no new taxes this year for the following basic reasons:

- 1) Energy conservation funds have been repeatedly raided by the legislature to close budget gaps during difficult fiscal years. I don't think anyone in this room needs to be reminded that despite the almost 2 billion dollar tax increase last year we are and will continue to be in "difficult fiscal years" for the foreseeable future. After what was done to the gasoline underground tank claim holders the wording in this bill or any other that promises not to redirect the funds lacks credibility. A new law in a new session is all it would take to change it. Just ask a producer of electricity in this state about the assurances they were given about the energy producers tax that was scheduled to expire, but is now being extended in the Governor's budget putting them at a significant regional competitive disadvantage.
- 2) Our fuel oil customers this past winter were paying the highest cost EVER for this product and now you want to make it more costly! The heaviest of this burden will fall unfortunately on the lowest income taxpayers who often don't have the resources to benefit from recommended efficiency upgrades.
- 3) Although the bill assigns the tax to the licensed dealer, rest assured it will be passed on. The oil dealers are hurting and could not absorb this tax even if they wanted to. They are losing upwards of 15,000 customers per year to natural gas due to the recent and significant price advantage that natural gas currently has without government intervention. That number will more than double with the full impact of the Comprehensive Energy Strategy that plans to use taxpayer dollars and existing ratepayers dollars to promote the expanded use of natural gas including 900 miles of new gas lines!
- 4) The near CT state border companies like mine will be at a competitive disadvantage when NY, MA and RI competitors cross into our state and do not charge or pay the tax. Their delivery trucks are moving targets that are very difficult to catch in the act. Remember utilities do not have this cross border issue to deal with in their Combine Benefits charge.
- 5) Our customers already pay this tax on their electric bills.

Please do not let this be one more nail in the coffin from our state government that seems intent on putting our truck drivers out of work using state resources that ironically our employees have been contributing to for years. These are real good- paying CT jobs, not some hypothetical projection of new jobs that we can steal from another state. The thought that they could all be put to work installing new furnaces is nonsense. It totally discounts the occupational licensing laws and skill set necessary to perform these tasks efficiently and safely. These drivers are your volunteer firemen, your kids' coaches and they worked long days bringing propane for your generators when the utilities could not even answer the phone to estimate when your power might come on. They matter!

I would be happy to answer any questions.